

## CLOVER LEAF ROAD SOLD.

## BONDHOLDERS BID IN THE PROPERTY FOR \$12,300,000.

Competition at the Sale—An Unusual Event in Such Affairs—Price Forced Up to \$4,700,000—Committee Had to Have the Road to Fulfill a Vanderbilt Contract.

TOLEDO, Ohio, March 27.—R. B. Hartshorn and S. N. Eaton of New York, representing the holders of the first mortgage bonds, purchased the Toledo, St. Louis and Kansas City Railroad at the special master's sale to-day for \$12,200,000. The only other bidder was George Untermyer, representing Guggenheim, Untermyer & Co., New York, counsel for stockholders. The liabilities of the road are in the neighborhood of \$25,000,000. There are \$6,000,000 in first mortgage bonds, \$5,000,000 in preferred stock and \$11,000,000 of the dividends in general stock, &c.

The sale took place in the station on Erie street near Lafayette and occupied only a few minutes. The reading of the terms of sale according to advertisement took about twenty minutes and the sale itself was made in less than five minutes. Under the terms a check for \$25,000 had to accompany the first bid, and the successful bidder had to supplement this with another certified check for \$50,000. No bid lower than \$7,000,000 could be accepted.

Messrs. Paine and Hartshorn started the bidding at \$7,500,000. Mr. Untermyer responded with \$10,000,000. Then the bidding between the two proceeded—"10,500,000," "\$11,000,000," "\$11,500,000," "\$12,000,000," "\$12,100,000," "\$12,150,000," "\$12,200,000."

The bidding did not last over two minutes. After the last bid there was a pause as the special master asked for other bids. There was no response and following a very short interval he repeated the "none, twice, third and final—and sold." The additional check for \$50,000 was at once made out and the crowd dispersed.

Otto P. Larnard of New York, the heaviest bondholder, was present. There were not over 100 persons in all at the sale, and the majority were Toledo railroad men. It is understood that the Clover Leaf, as it is called by the bondholders, will be at once reorganized by the bondholders.

It is rather than more than one bidder appears at the sale under four or five of a railroad, the bondholders' committee has to go to the market to get the price up to a maximum of 20 per cent. The brisk competition at the Clover Leaf sale, it was explained in Wall Street yesterday, was due to the fact that the bondholders' committee, who for some time have been buying up quietly the first mortgage bonds of the company. By causing the bondholders' committee to extend the \$12,000,000 they made the price equal to the par value of the bonds plus the interest due on them.

The bondholders' committee, it was said, could not let the road be bought by any other interest, for the committee is understood to be under contract to deliver the bonds of the company to the bondholders' committee if the bondholders' committee bought the road, in Wall Street a phrasology, they would have been "short of a rabbit" with no chance of covering their bets except by the prices offered by Mr. Guggenheim and his friends.

The price of the Toledo, St. Louis and Kansas City Railroad Company have been quoted in the market for several years past. The last sale was at 124, the highest price of the day.

## GRAND JURY GETS AT THIRD AVENUE.

## Contractors McMahon, Hopper and Haggerty Examined—Books Produced.

Third Avenue matters were inquiryed into by the Grand Jury yesterday. A number of sub-peoples had been served on Monday, and the evidence of the men thus summoned and the results of the work of the accountants sent to the Third Avenue office to go over the books is to form the basis of an examination that may last a long time. The Grand Jury remained in session both morning and afternoon yesterday.

Isaac A. Hopper, contractor, and Charles Webb's successor as Tammany leader in the Thirty-first Assembly district, Ex-Police Justice Daniel F. McMahon of the firm of Naughton & Co., and Henry Haggerty, brother-in-law of John D. Crimmins and a contractor for railroad supplies, were among the witnesses called. With the beginning of the session District Attorney Gardner marched out of his office toward the Grand Jury room, followed by two men carrying on their shoulders huge leather-bound ledgers. These were submitted to the Grand Jury and then Col. Gardner ordered that the large room beyond the Grand Jury anteroom be cleared and a police station established there. The grand jury sat in the room and the service in the Grand Jury proceedings were more elaborate than ever before.

Ex-Judge McMahon, on leaving the Grand Jury, said he was unable to give any information as to whether he had given testimony regarding the contracts entered into by his firm with the Third Avenue Railroad. "Perhaps I was asked to give the name of some of the supplies," and that was all he said.

Contractor Haggerty admitted that he had no question of readying the Third Avenue railroad, railroad supplies furnished him by Naughton & Co., and now has bills for under \$1,000,000.

John D. Crimmins was reported to be ill at his home. With Highway Commissioner Keating, he has responded two or three times to Grand Jury questions, home, you know, what too ill to leave his home. Mr. Keating was not called yesterday. He finished stories about the award of the contract to Naughton & Co. and Tammay, and the award of the Third Avenue's permit to open the streetcar line, that intimations to that effect determined the award of the contract.

Mr. Crimmins' illness is not serious and he will be out in a few days.

## RUMORED RAILROAD DEALS.

## Plentiful in Wall Street, as Usual on a Bull Market.

There is more talk of impending railroad deals. The Chesapeake and Ohio is reported to have secured control of the Toledo and Ohio Central, which is in virtual ownership of the Kanawha and Michigan, and guarantees the latter's bonds, principal and interest. The report is not confirmed. Any deal of the kind would involve the entire line of road from Gauley, W. Va., to Toledo.

President Pitt of the Norfolk and Western Railroad denied positively a renewed report that the Pennsylvania Railroad had acquired control of his road. He declined, however, to make any statement when asked if the Pennsylvania had taken over its interest in the Reading. A report that was circulated again on the New York Stock Exchange and has been denied heretofore, was that the Pennsylvania Railroad had acquired control of the Reading.

**New President of American Air Power.**

The statement was made in Wall Street yesterday that President H. H. Vreeland will resign from the presidency of the American Air Power Company, owing to the pressure of business from the traction interests in this city, and that he will be succeeded by Henry D. Cooke of the Compressed Air Motor Company of Chicago. The Metropolitan Steel Company will continue to represent its interests in this country. Power Company. Mr. Vreeland has placed a contract for the building of 125 air motor cars on various cross-trestles of the Metropole. Contract is to bear the name of the Metropole. When the consolidation of the principal air power companies is effected, Mr. Cooke will be president of the consolidated corporation.

## Swelling the Bank Note Circulation.

The Mercantile National Bank has secured the necessary Government bonds for consolidating its circulation to the limit of \$100,000,000 of capital. It has had outstanding bonds \$45,000,000, but since the currency law went into effect it has taken out \$25,000,000, and will take out the rest when the bank's officers consider that conditions warrant such action. The National Bank of Commerce has ordered \$300,000 additional notes, making its circulation equal to its \$1,000,000 capital.

## Morton Trust Votes for Consolidation.

The directors of the Morton Trust Company voted unanimously yesterday in favor of a consolidation with the State Trust Company, the Morton Trust having \$1,000,000 of capital. The proposal has yet to be voted upon by the State Trust Company and to be ratified by the stockholders of both corporations.

## Conference on Pro-rating Freight.

Representatives of several of the Western lines had a conference yesterday with Commissioner Goddard and the traffic managers of the trunk lines relative to the pro-rating of freight on certain points. What is involved is the division of freight rates on through shipments over two or more different railroads.

## FINANCIAL AND COMMERCIAL.

TUESDAY, March 27.

The transactions in stocks were somewhat similar to yesterday, still there was no abatement of the bullish sentiment. It was, on the contrary, stimulated by the unprecedented dealings for European account. Some arbitrage dealers estimate the total transactions in connection with London at 120,000 shares. This is said to be the largest total since close relations between the two markets were established. The trading was both way, and the indications are that on the arbitrage account London sold about 40,000 shares more than it bought. In view of the ignorance that appears to exist in certain quarters regarding the disposition of recent foreign purchases of securities, particularly stocks, in this market, it seems desirable to state, on the authority of the principal houses transacting the business, that very few stocks have been shipped. The stocks have been carried here presumably because the buyers intend to dispose of them as soon as moderate profits accrue upon their purchases. This accounts for the firmness of the foreign exchange market in the face of London buying of securities, a condition that certain theoretical reviewers of financial affairs admit has baffled their well-nigh infallible perspicacity.

Foreign interest was most pronounced in the anthracite coal stocks, particularly in Reading first preferred. An advance of nearly 5 points in stock started local speculation in the entire group. London also bought Southern Pacific and Northern Railway common, but at the advance in those stocks that was started by its buying it turned seller and also sold Baltimore and Ohio issues, Atchison issues and Norfolk and Western. Locally speculative interest shifted to the traction stocks and to the Industrials. All of the first named closed materially higher than yesterday. Sugar Refining came to the front again at a net advance of nearly three points and fresh interest was shown in the iron and steel shares. The distribution of business was fully as broad as yesterday and the list of usually inactive issues that received attention was a long one. The bond market made an exceptionally good showing, the transactions exceeding \$5,000,000 par value. In spite of heavy realizing sales the closing was strong.

## NEW YORK STOCK EXCHANGE—SALES MARCH 27.

## UNITED STATES AND STATE BONDS (IN \$1,000s).

## BID. Asked. Bid. Asked.

## CLOSING PRICES OF UNITED STATES BONDS.

## Bid. Asked.

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## RAILROAD AND OTHER BONDS.

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